

COW CREEK GAS INC.
347 THOMPSON RD
PIKEVILLE KY 41501
PH 606-437-6147 **FAX 606-437-6040**

RECEIVED

MAR 31 2008

**PUBLIC SERVICE
COMMISSION**

March 28, 2008

Ms. Stephanie Stumbo
Public Service Commission
P. O. Box 615
211 Sower Blvd.
Frankfort, KY 40602

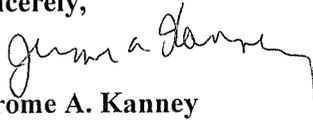
RE: Cow Creek Gas, Inc.
GCA Filing

Ms. Stumbo:

Enclosed is the GCA filing for the portion of the system of Cow Creek Gas, Inc. ("Cow Creek") that was formerly served by Sigma Gas Corporation ("Sigma"). This GCA is filed pursuant to the Sigma tariff adopted by Cow Creek pursuant to the Commission's Order in Case No. 2007-00419. I have enclosed ten copies for filing.

If you have any questions, please contact us at the above number.

Sincerely,



Jerome A. Kanney
President

Enclosure

Cow Creek Gas, Inc.

Quarterly Report of Gas Cost
Recovery Rate Calculation

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MAR 31 2008

PUBLIC SERVICE
COMMISSION

Date Filed:

March 28, 2008

Date Rates to be Effective:

May 1, 2008

Reporting Period is Calendar Quarter Ended:

December 31, 2007

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	12.036
+ Refund Adjustment (RA)	\$/Mcf	0
+ Actual Adjustment (AA)	\$/Mcf	0
+ Balance Adjustment (BA)	\$/Mcf	0
= Gas Cost Recovery Rate (GCR)		12.036

GCR to be effective for service rendered from May 1, 2008 to August 1, 2008

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	447,611.03
÷	Sales for the 12 months ended <u>December 31, 2007</u>	Mcf	37,190
=	Expected Gas Cost (EGC)	\$/Mcf	12.036

B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Sch.III)		
+	Previous Quarter Supplier Refund Adjustment	\$/Mcf	0
+	Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	0
+	Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	0
=	Refund Adjustment (RA)	\$/Mcf	0

C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	0
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	0
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	0
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	0
=	Actual Adjustment (AA)	\$/Mcf	0

D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	0
+	Previous Quarter Reported Balance Adjustment	\$/Mcf	0
+	Second Previous Quarter Reported Balance Adjustment	\$/Mcf	0
+	Third Previous Quarter Reported Balance Adjustment	\$/Mcf	0
=	Balance Adjustment (BA)		0

SCHEDULE II
EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended December 31, 2007

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) X (5) Cost
Jefferson Gas LLC	5,646	1.0	5,646	11.434	64,556.36
Jefferson Gas LLC	7,930	1.0	7,930	11.434	90,671.62
Jefferson Gas LLC	5,345	1.0	5,345	11.434	61,114.73
Jefferson Gas LLC	3,063	1.0	3,063	11.434	35,022.34
Jefferson Gas LLC	1,148	1.0	1,148	11.434	13,126.23
Jefferson Gas LLC	1,470	1.0	1,470	11.434	16,807.98
Jefferson Gas LLC	1,151	1.0	1,151	11.434	13,160.53
Jefferson Gas LLC	1,276	1.0	1,276	11.434	14,589.78
Jefferson Gas LLC	1,701	1.0	1,701	11.434	19,449.23
Jefferson Gas LLC	1,405	1.0	1,405	11.434	16,064.77
Jefferson Gas LLC	5,597	1.0	5,597	11.434	63,996.10
Jefferson Gas LLC	5,912	1.0	5,912	11.434	67,597.81
Totals	<u>41,644</u>		<u>41,644</u>		<u>476,157.48</u>

Line loss for 12 months ended December 31, 2007 is 10.7% based on purchases of
41,644 Mcf and sales of 37,190 Mcf.

Total Expected Cost of Purchases (6)	<u>Unit</u> \$	<u>Amount</u> 476,157.48
÷ Mcf Purchases (4)	Mcf	41,644
= Average Expected Cost Per Mcf Purchased	\$/Mcf	11.434
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	39,147.37
= Total Expected Gas Cost (to Schedule IA)	\$	447,611.03

*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

**Supplier's tariff sheets or notices are attached.

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended _____ Not Applicable _____

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	
+ Interest	\$	
<hr/>		<hr/>
= Refund Adjustment including interest	\$	
÷ Sales for 12 months ended	Mcf	
<hr/>		<hr/>
= Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended _____ Not Applicable _____

<u>Particulars</u>	<u>Unit</u>	Month 1 (_____)	Month 2 (_____)	Month 3 (_____)
Total Supply Volumes Purchased	Mcf			
Total Cost of Volumes Purchased	\$			
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf			
= Unit Cost of Gas	\$/Mcf			
- EGC in effect for month	\$/Mcf			
= Difference [(over-)/Under-Recovery]	\$/Mcf			
x Actual sales during month	Mcf			
= Monthly cost difference	\$			

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	
÷ Sales for 12 months ended _____	Mcf	
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended _____ Not Applicable _____

	<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1)	Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR Less: Dollar amount resulting from the AA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the AA was in effect. Equals: Balance Adjustment for the AA.	\$ \$	 _____
(2)	Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR. Less: Dollar amount resulting from the RA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the RA was in effect. Equals: Balance Adjustment for the RA	\$ \$	 _____
(3)	Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR Less: Dollar amount resulting from the BA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the BA was in effect. Equals: Balance Adjustment for the BA.	\$ \$	 _____
	Total Balance Adjustment Amount (1) + (2) + (3)	\$	_____
÷	Sales for 12 months ended _____	Mcf	_____
=	Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	_____

Estimated Gas Cost Computation per MCF

	Quarter Beginning:	4/1/2008
	Quarter Ending:	6/30/2008
Monthly delivery contracts settle price on 1st day of month prior to beginning of quarter:		
NYMEX settle price on March 1, 2008 for gas sold in April 2008	\$	9.380
NYMEX settle price on March 1, 2008 for gas sold in May 2008		9.430
NYMEX settle price on March 1, 2008 for gas sold in June 2008		9.492
Average Est. NYMEX settle price as of March 1, 2008		9.434
Add: Transportation charge per MCF		2.000
Estimated gas cost computation per MCF		11.434